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APPLICATION FOR THE
**WATERFRONT REDEVELOPMENT
GRANT PROGRAM**

APPLICATION DEADLINE: OCTOBER 1, 1999

Part 795, Waterfront Revitalization, of the Natural Resources and Environmental
Protection Act, 1994 PA 451, as amended.

ENVIRONMENTAL RESPONSE DIVISION
MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
PO BOX 30426
LANSING, MI 48909-7926

INSTRUCTIONS TO APPLY FOR A CLEAN MICHIGAN INITIATIVE WATERFRONT REDEVELOPMENT GRANT

In November 1998 Michigan voters approved the \$675 million Clean Michigan Initiative (CMI) proposed by Governor John Engler. Up to \$50 million of the CMI is available for grants to local units of government for waterfront improvements. These grants are issued by the Department of Environmental Quality (DEQ) in consultation with the Michigan Economic Development Corporation (MEDC). Waterfront means land that is contiguous to the Great Lakes or their connecting waterways, a river, or a lake or impoundment that has a surface area of not less than 50 acres [Section 79501(f), Part 795, Waterfront Revitalization, Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA)].

Grants will be released twice during 1999. Applications received by April 16, 1999, will be awarded no more than \$20 million. Applications received by October 1, 1999, will be considered for the balance of unallocated Waterfront Redevelopment Grant dollars. Waterfront Redevelopment Grants are available to local units of government including a county, city, village, township, or an agency of a county, city, village, or township; or an authority or other public body created by or pursuant to state law [Section 19601(g), Part 196, Clean Michigan Initiative Implementation, NREPA].

ELIGIBLE ACTIVITIES

Grant funds may be used for eligible activities that are part of a project described in a waterfront redevelopment plan. A state-approved recreation plan that contains waterfront improvements can serve as a waterfront redevelopment plan for the purpose of this program. A "project" is a portion of a waterfront redevelopment plan for which a grant is being requested.

Eligible activities under the Waterfront Redevelopment Grant Program include:

- Environmental response activities on waterfront property consistent with a waterfront redevelopment plan. Environmental response activities include investigation, interim response actions, remedial action, demolition, or other actions required to protect public health, safety, welfare, and the environment as defined by Part 201, Environmental Remediation, of the NREPA.
- Demolition of buildings and other facilities along a waterfront that are not consistent with a waterfront redevelopment plan.
- Acquisition of waterfront property or the assembly of waterfront property consistent with a waterfront redevelopment plan.
- Public infrastructure and facility improvements to waterfront property consistent with a waterfront redevelopment plan.

The main objective of the Waterfront Redevelopment Grant Program is to encourage new private investment and private job creation. Projects which are primarily parks and recreation in nature will generally not be funded under this program. Funding for

projects of this nature should be requested under the Natural Resources Trust Fund or the CMI Recreation Bond Program available through the Michigan Department of Natural Resources. However, a parks and recreation project can be considered for funding if it is an integral component of a waterfront redevelopment strategy that also includes private capital investment and job creation. Housing developments and public facilities are also lower priority for funding.

A Waterfront Redevelopment Grant is intended to promote full implementation of a waterfront redevelopment plan. All other things being equal, a higher priority will be given to a project that is part of a waterfront redevelopment plan having high potential for full implementation.

A project funded in part by a Waterfront Redevelopment Grant must provide waterfront access to the general public. Waterfront Redevelopment Grants may not be used for land or facilities that will be owned or operated by a gaming facility, a stadium or arena for use by a professional sports team, or a private or municipal marina.

A minimum local government match of 25 percent of the project cost is required. Match should be calculated as follows: $\text{Match} + \text{Grant} = \text{Total}$; $\text{Total} \div \text{Match} \geq 25\%$. The local match can be from other public or private sources, including non-state of Michigan grants, local general fund, or private donations. In-kind donations of services will not be accepted as match, but donations of property and materials are acceptable. Donations must be documented in writing. Funds that are pending (such as other grants that have not yet been approved) can be listed as match, but the Waterfront Redevelopment Grant agreement may not be signed until all sources of match are confirmed in writing to the DEQ. Grants will be withdrawn if the match identified in the grant application is not confirmed within 120 days of the grant offer. All other project aspects being equal, projects with a higher local match will have a higher priority for funding.

WATERFRONT REDEVELOPMENT PLAN

In order to receive grant funding through the Waterfront Redevelopment Grant Program, the applicant must have a waterfront redevelopment plan (waterfront plan). The waterfront plan must clearly designate the geographic area included within the waterfront planning area and identify the economic impact of the plan on the improved area, the surrounding neighborhood, and the region in which the waterfront planning area is located. Portions of other local plans (such as a master plan or brownfield redevelopment plan) can be submitted or combined and submitted, provided the submission meets all the requirements of a waterfront plan. The waterfront plan should provide all of the information requested, but do so as succinctly as possible. Necessary content in a waterfront plan is described in question two of the attached application. If the plan is produced from existing documents, the location of the information that fulfills each requirement of the waterfront plan, as set forth in the application, should be clearly indicated.

GRANT APPLICATION

In order to receive a Waterfront Redevelopment Grant, **five complete copies of the attached grant application must be submitted to the DEQ.**

APPLICATION REVIEW

Complete, eligible applications will be reviewed by the DEQ and MEDC staff and funding decisions made based on the following criteria:

- Whether the project proposed to be funded is authorized by Part 795 of the NREPA.
- Whether the grant application complies with Part 795 of the NREPA.
- Whether the project will significantly contribute to local economic and community redevelopment or the revitalization of adjacent neighborhoods.
- The level of public and private commitment and other resources available for the project.
- Whether the project is consistent with the waterfront redevelopment plan for the area in which the project is located.
- Whether the project provides significant waterfront access to the general public.
- The level of demonstrated commitment from other governmental agencies.
- The level of public and private commitment to other aspects of the waterfront redevelopment plan.
- Whether there is evidence of adverse economic and socioeconomic conditions within the waterfront planning area.
- Whether the project is innovative in comparison to other grant applications.
- The viability of the waterfront redevelopment plan.
- How the project relates to a broader economic and community development plan for the local unit of government as a whole.
- The level of public and private commitment to improving abandoned real property within the waterfront planning area in which the project is located.
- Project cost.
- Project nonpoint source pollution control practices from project implementation through the date the CMI bonds are repaid.
- The amount of private investment and the number of jobs that will be created as a result of the project and as a result of full waterfront redevelopment plan implementation.

The DEQ and MEDC intend to fund only high quality projects. The DEQ and MEDC reserve the right to not fund a project that meets the eligibility requirements if the benefit of the project is low compared to its cost, or to partially fund a project or fund only certain aspects of a proposed project. The DEQ and MEDC may request additional information during the review period.

PROJECT IMPLEMENTATION

- Costs incurred by successful applicants between the time the DEQ and MEDC offer a grant (or an intent to offer a grant, pending an appropriation) and the time a grant agreement is signed will be eligible for reimbursement if determined to be consistent with the application and the terms and conditions of the signed grant agreement. Response activities under Part 201, however, must be authorized through a DEQ-approved work plan in advance of any expenses being incurred. Reimbursement of expenses will not begin until a grant agreement is signed by the DEQ. In the event

that the appropriation is not approved, any expenses incurred will be the responsibility of the applicant.

- Grant recipients will be required to submit periodic status reports describing the grant recipient's progress toward implementation of the project and the waterfront plan.
- The DEQ role in oversight of grant work, in general, will include review of progress reports and making grant payments. Environmental response activities will require greater oversight.
- Grants will be limited to a two-year period. This time period may be extended by the DEQ for good cause.

OTHER RELATED ISSUES

- An identified developer is not a prerequisite for receiving a grant. However, projects with identified private developments will have higher priority for funding.
- If properties which have grant-funded activities performed on them generate revenue for the grant applicant, the DEQ reserves the right to negotiate how those revenues will be used and who will receive them.
- If the application includes property purchase, having a purchase option for the property increases the priority of this portion of the project for funding.
- If the application includes environmental response actions, the applicant needs to carefully analyze the Part 201 liability status of the current property owner. Grant funds are not used to subsidize the remedial obligations of liable parties.
- There is no cap on the amount of grant funds that can be requested.
- A waterfront redevelopment plan and the project funded by a grant may cover more than one political jurisdiction. However, a single jurisdiction must be responsible for receiving and administering the grant. An intergovernmental agreement will also be required with the grant application.
- Historic buildings that will be demolished using grant funds may be subject to federal and state historic preservation laws. It is the responsibility of the grant applicant to ensure compliance with all federal and state historic preservation laws.

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AS AMENDED, PART 195
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APPLICATION FOR
WATERFRONT REDEVELOPMENT GRANT FUNDS

Attach this page to the front of the application packet.

Applicant name:

Name of applicant's representative for grant:

Title of applicant's representative:

Address:

Telephone:

Fax:

Email address:

Amount of grant request:

Amount of local match:

Grant funds will be used for (check all that apply):

_____ Environmental Response Activities

_____ Demolition

_____ Property Acquisition

_____ Infrastructure/Facility Improvement

ATTACHMENTS TO THE WATERFRONT REDEVELOPMENT GRANT APPLICATION

The application should be submitted with each of the numbered items listed below separated by tabbed or colored dividers. Certain evaluation criteria are listed below in *italic print*. Information that must be submitted to allow evaluation of the project is listed next to a bullet. Items 1 through 4 carry relatively more weight in decision-making than items 5 through 8. Special emphasis should be given to accuracy and brevity in items 2 and 3. Positive economic effects from the project are the most important decision-making information. However, the DEQ and MJC reserve the right to offer grants for excellent projects which may not have the largest economic effects.

1. *Whether the project complies with and is authorized by Part 795 of NREPA.*
 - Provide a detailed description of the overall project and how the grant will be used, including a description of the eligible activities to be funded by the grant. In the event that the DEQ is not able to fund the entire grant application and if partial funding is an option, describe what project elements would not be funded and how partial funding would affect plan implementation.
 - Identify the intended use of the property or properties *at which the grant will be used*. Identify the owner of each property and, if the owner is a private party, whether the owner is the proposed developer or intends to sell the property for development.
 - Describe the sources of the 25 percent local match and amount from each source. Indicate whether the match funds are pending (such as grants under review) or committed. Other grants of state funds such as Site Reclamation Program or Natural Resources Trust Fund grants should not be considered as match. Although match funds from grants need not be offered or received at the time a waterfront grant application is submitted, the offer should be received within 120 days after the waterfront grant agreement is offered. **In-kind services may not be used as match.**
 - Include a timeline for redevelopment of the property.
 - Describe any permits or reviews (for example, shoreline protection or historic preservation) necessary for implementation of the project and the status of their approval.
 - If the project involves property acquisition, its assessed or appraised value, and whether a signed purchase option has been obtained.
 - If the project involves environmental cleanup, an evaluation of whether or not the current property owner is liable for the contamination under Part 201.
 - Identify a source of funding for ongoing operation and maintenance of the project, if appropriate.
 - Describe the practices the local unit of government will implement and maintain to control nonpoint source pollution from the project site both during and after construction and throughout the period of time in which the state is paying off the bonds that were issued pursuant to the Clean Michigan Initiative Act. (Assume a 20-year period).
 - Sign the attached Certification of Application.

2. *The viability of the waterfront redevelopment plan; and whether the project is consistent with the waterfront redevelopment plan for the area in which the project is located.*

- Provide a copy of the waterfront plan. The plan must:
 - Clearly delineate, on a map, the geographic area included within the plan and the properties at which action is needed. Each parcel of property under separate ownership should be shown along with the name of the current owner.
 - Describe the goals and objectives of the plan.
 - Describe in detail the economic impact that the plan will have on the planning area, the surrounding neighborhood, and the region in which the waterfront planning area is located.
 - Describe public and private commitments to the waterfront redevelopment plan.
 - Describe the actions needed to fully implement the plan and how they will be funded and carried out.
 - Describe the extent to which full plan implementation is dependent on other state or federal grants and the status of those funds (i.e., whether received, whether applied for, etc.)
- Whether the waterfront redevelopment plan has undergone a community public review process and, if so, documentation of the level of public acceptance.

3. *Whether the project will significantly contribute to local economic and community redevelopment or the revitalization of adjacent neighborhoods; how the project relates to the applicant's broader economic and development plans for the community as a whole; and the level of public and private commitment and other resources available for the project.*

- Identify any developers that are committed to or interested in the project and what resources they have committed or will commit to the project. Private investment in the project must exceed the amount of the Waterfront Redevelopment grant including match. A higher ratio between private investment and grant amount will tend to give a project higher priority for funding.
- Describe the type and number of jobs that will be created or retained by the project.
- Indicate the increase in local tax revenues that will be created by the project.
- Describe the community's overall development plan and how the project fits into the plan.
- Attach a resolution in support of the project approved by the applicant's governing body (for multi-jurisdictional projects, attach resolutions for all participating local governments and an intergovernmental agreement.)
- Use the spaces in the following table to indicate a budget for each item on the left side. Identify the source of funding from the list across the top row. The total anticipated project cost should be at the end of the "TOTAL COST IN DOLLARS" column.

	1. Waterfront Redevelopment Grant	2. Local Dollars (including local match)	3. Developer Dollars	4. Other state grants or funding sources	TOTAL
Planning/Design					
Environmental Response Activities					
Demolition					
Property Acquisition					
Public Infrastructure/ Facility Improvements					
Other Investment, including the proposed development	N.A.				
TOTAL COST IN DOLLARS					
PERCENT OF TOTAL PROJECT COST					100%

NOTE: Columns 1 (Waterfront Redevelopment Grant) and 2 (Local Dollars) are considered the "project" as defined on page 1 of the application instructions. The total amount of these two columns is considered the project cost. The local match should be at least 25% of the project cost. The total in column two should be the same amount as the match indicated on page 1 of the application form.

4. *Whether the project provides significant public access to the waterfront and whether the plan provides recreational opportunities for the public.*

- Explain how the project will provide public access to the waterfront. The map of the project area submitted with the waterfront redevelopment plan should indicate areas where public access and recreational opportunities, if any, will be provided.

5. *The level of public and private commitment to improving abandoned real property within the waterfront planning area in which the project is located.*

- Explain any actions taken or commitments made to improve vacant and abandoned property within the waterfront planning area.

6. *The level of demonstrated commitment from other governmental agencies.*

- Explain commitments made by other governmental agencies, including funding, infrastructure, services, operation and maintenance, or other commitments.

7. *Whether there is evidence of adverse economic and socioeconomic conditions within the waterfront planning area.*

- Describe the economic and socioeconomic conditions within the waterfront planning area. Provide statistical data on unemployment, income, and other information where available.

8. *How the project is innovative in comparison to other grant applications.*

- Describe any innovative aspects of the proposed project.

CERTIFICATION OF APPLICATION

The undersigned, as the representative of the applicant, certifies that the applicant and the project will comply with all applicable state and federal statutes and regulations, including those associated with the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, its administrative rules, and those statutes related to civil rights, equal opportunity, labor standards, environmental protection, and historic preservation.

The undersigned, as the representative of the applicant, certifies that the information provided in this application and its attachments is true and complete to the best knowledge and belief of the applicant and the undersigned.

The undersigned certifies that grant funds will not be used for a project that is located at land sited for use as a gaming facility or by a stadium or arena for use by a professional sports team; at land or other facilities owned or operated by a gaming facility or by a stadium or arena for use by a professional sports team; or at land within a project area described in a project plan pursuant to the Economic Development Corporations Act, 1974 PA 388, as amended, for a gaming facility.

The undersigned, as the representative of the applicant, certifies that within the last 24 months of the date below, the applicant has successfully undergone an audit conducted in accordance with generally accepted auditing standards.

The undersigned, as the representative of the applicant, certifies that within the last 24 months, the applicant has not had a grant from the Department of Environmental Quality or the Michigan Jobs Commission revoked or terminated, and has not been determined by the Department of Environmental Quality or the Michigan Jobs Commission to be unable to manage a grant.

The undersigned, as the representative of the applicant, certifies that a source of funding for ongoing maintenance and operation of the proposed project, if required, has been identified.

The undersigned certifies this local government's purchasing practices are consistent with Public Acts 167 and 168 of 1993.

Typed name of authorized representative

Signature

Title

Date

RETURN FIVE COMPLETE COPIES OF THE APPLICATION FORM TO:
SITE RECLAMATION UNIT
ENVIRONMENTAL RESPONSE DIVISION
DEPARTMENT OF ENVIRONMENTAL QUALITY
PO BOX 30426
LANSING, MICHIGAN 48909